

# İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

As of September 30, 2017

## Condensed Interim Statement of Financial Position (Balance Sheet)

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Not Reviewed September 30, 2017	Audited December 31, 2016
<b>ASSETS</b>		
<b>Current assets</b>	<b>764.898.497</b>	<b>322.950.245</b>
Cash and cash equivalents	203.820.933	127.262.064
Trade receivables	43.794.242	28.770.301
<i>Trade receivables from related parties</i>	<i>1.016.761</i>	<i>322.311</i>
<i>Trade receivables from third parties</i>	<i>42.777.481</i>	<i>28.447.990</i>
Other receivables	1.094.253	1.211.817
<i>Other receivables from related parties</i>	<i>400.000</i>	<i>-</i>
<i>Other receivables from third parties</i>	<i>694.253</i>	<i>1.211.817</i>
Inventories	442.057.797	91.612.134
Prepaid expenses	73.958.144	74.067.158
<i>Prepaid expenses to related parties</i>	<i>232.414</i>	<i>2.716.668</i>
<i>Prepaid expenses to third parties</i>	<i>73.725.730</i>	<i>71.350.490</i>
Other current assets	163.128	26.205
Derivatives	10.000	566
<b>Non-current assets</b>	<b>4.446.177.169</b>	<b>4.564.069.949</b>
Equity accounted investees	1.956.400	1.563.593
Inventories	588.667.133	715.506.230
Investment properties	3.720.688.452	3.714.668.994
Tangible assets	27.737.427	28.559.331
Intangible assets	601.857	473.250
Other non-current assets	106.525.900	103.298.551
<b>TOTAL ASSETS</b>	<b>5.211.075.666</b>	<b>4.887.020.194</b>

**İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi**

**As of September 30, 2017**

**Condensed Interim Statement of Financial Position (Balance Sheet)**

*(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)*

	<b>Not Reviewed</b>	<b>Audited</b>
	<b>September 30,</b>	<b>December 31,</b>
	<b>2017</b>	<b>2016</b>
<b>LIABILITIES</b>		
<b>Short-term liabilities</b>	<b>514.430.454</b>	<b>188.453.135</b>
Short-term borrowings	5.799.147	-
<i>Loans and borrowings to related parties</i>	5.799.147	-
Current portion of long term borrowings	165.353.914	121.419.856
<i>Loans and borrowings to related parties</i>	152.106.245	103.666.106
<i>Loans and borrowings to third parties</i>	13.247.669	17.753.750
Current portion of long term financial leases	3.334.411	10.915.156
<i>Financial leasing to related parties</i>	3.334.411	10.915.156
Trade payables	48.967.667	34.198.753
<i>Trade payables to related parties</i>	9.312.740	5.270.465
<i>Trade payables to third parties</i>	39.654.927	28.928.288
Other payables	42.792.124	622.898
Deferred income	226.850.326	6.198.445
<i>Deferred income to related parties</i>	178.330	660.831
<i>Deferred income to third parties</i>	226.671.996	5.537.614
Short-term provisions	18.205.967	12.576.072
<i>Provision for employee benefits</i>	321.871	251.586
<i>Other short-term provisions</i>	17.884.096	12.324.486
Other short-term liabilities	3.126.898	2.521.955
<b>Long-term liabilities</b>	<b>1.506.022.544</b>	<b>1.537.221.403</b>
Loans and borrowings	1.043.818.566	921.629.250
<i>Loans and borrowings to related parties</i>	546.649.436	513.874.749
<i>Loans and borrowings to third parties</i>	497.169.130	407.754.501
Long term financial leases	-	696.326
<i>Financial leasing to related parties</i>	-	696.326
Other payables	-	35.990.000
Deferred revenue	460.486.209	577.681.090
Long term provisions	1.717.769	1.224.737
Provision for employee benefits	1.717.769	1.224.737
<b>EQUITY</b>	<b>3.190.622.668</b>	<b>3.161.345.656</b>
Share capital	913.750.000	850.000.000
Adjustment to share capital	240.146.090	240.146.090
Share premium	423.981	423.981
Accumulated other comprehensive income/(expense)		
not to be reclassified to profit or loss	24.361.973	24.361.973
<i>Revaluation and classification of gains / losses</i>	24.226.634	24.226.634
<i>Other earnings/ losses</i>	135.339	135.339
Legal reserves	46.188.875	36.305.282
Prior years' profits	1.872.724.737	1.589.596.928
Net profit for the period	93.027.012	420.511.402
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5.211.075.666</b>	<b>4.887.020.194</b>

**İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi**

**Condensed Interim Statement of Profit or Loss**

**For the Period Ended September 30, 2017**

**(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)**

	Not Reviewed	Not Reviewed	Not Reviewed	Not Reviewed
	January 1- September 30, 2017	July 1 - September 30, 2017	January 1- September 30, 2016	July 1 - September 30, 2016
Revenue	369.515.971	244.667.446	308.962.444	60.327.463
Cost of revenue (-)	(229.491.422)	(198.668.015)	(155.017.979)	(15.958.475)
<b>Gross profit</b>	<b>140.024.549</b>	<b>45.999.431</b>	<b>153.944.465</b>	<b>44.368.988</b>
General administrative expense (-)	(16.299.861)	(4.416.301)	(14.376.195)	(4.277.881)
Marketing, selling and distribution expenses (-)	(9.605.504)	(3.671.572)	(17.876.288)	(3.093.201)
Other operating income	55.578.602	14.036.059	74.906.844	40.606
Other operating expense (-)	(48.809.171)	-	(37.567.512)	(7.117.988)
<b>Operating profit</b>	<b>120.888.615</b>	<b>51.947.617</b>	<b>159.031.314</b>	<b>29.920.524</b>
Share of profit of equity-accounted investees	792.807	264.259	567.296	256.808
<b>Operating profit before financial income/(expense)</b>	<b>121.681.422</b>	<b>52.211.876</b>	<b>159.598.610</b>	<b>30.177.332</b>
Financial income	-	-	-	-
Financial expense (-)	(28.654.410)	(11.324.947)	(30.903.204)	(8.499.342)
<b>Profit before tax from continued operations</b>	<b>93.027.012</b>	<b>40.886.929</b>	<b>128.695.406</b>	<b>21.677.990</b>
<b>Tax Expense From Continuing Operations</b>				
- Corporate tax charge	-	-	-	-
- Deferred tax benefit	-	-	-	-
<b>Net profit for the period</b>	<b>93.027.012</b>	<b>40.886.929</b>	<b>128.695.406</b>	<b>21.677.990</b>
Earnings per share	0,0010	0,0004	0,0015	0,0002

## İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

### Condensed Interim Statement of Other Comprehensive Income

For the Period Ended September 30, 2017

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

	Not Reviewed	Not Reviewed	Not Reviewed	Not Reviewed
	January 1- September 30, 2017	July 1 - September 30, 2017	January 1- September 30, 2016	July 1 - September 30, 2016
<b>Net profit for the period</b>	<b>93.027.012</b>	<b>40.886.929</b>	<b>128.695.406</b>	<b>21.677.990</b>
<b>Other comprehensive income</b>	-	-	-	-
<b>Items not to be reclassified to profit or loss</b>	-	-	-	-
Revaluation and classification of gains / losses	-	-	-	-
Actuarial gain/(loss) arising from defined benefit plans	-	-	-	-
<b>Other comprehensive income</b>	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>93.027.012</b>	<b>40.886.929</b>	<b>128.695.406</b>	<b>21.677.990</b>

# İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

## Condensed Interim Statement of Changes in Equity For the Period Ended September 30, 2017

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Share capital	Inflation Adjustment on Capital	Share premium	Accumulated other comprehensive income/(expense) not to be reclassified to profit or loss		Legal reserves	Prior years' profits	Net profit for the period	Total
					Other earnings/ losses	Revaluation and classification of gains / losses				
<b>Balances at January 1, 2016</b>		<b>746.000.000</b>	<b>240.146.090</b>	<b>423.981</b>	<b>210.783</b>	<b>21.731.787</b>	<b>28.240.772</b>	<b>1.197.948.571</b>	<b>555.932.867</b>	<b>2.790.634.851</b>
Transfers		--	--	--	--	--	8.064.510	547.868.357	(555.932.867)	--
Total comprehensive income		--	--	--	--	--	--	--	128.695.406	128.695.406
Capital Increase (from internal sources)		104.000.000	--	--	--	--	--	(104.000.000)	--	--
Dividends		--	--	--	--	--	--	(52.220.000)	--	(52.220.000)
										--
<b>Balances at September 30, 2016</b>		<b>850.000.000</b>	<b>240.146.090</b>	<b>423.981</b>	<b>210.783</b>	<b>21.731.787</b>	<b>36.305.282</b>	<b>1.589.596.928</b>	<b>128.695.406</b>	<b>2.867.110.257</b>
<b>Balances at January 1, 2017</b>		<b>850.000.000</b>	<b>240.146.090</b>	<b>423.981</b>	<b>135.339</b>	<b>24.226.634</b>	<b>36.305.282</b>	<b>1.589.596.928</b>	<b>420.511.402</b>	<b>3.161.345.656</b>
Transfers		--	--	--	--	--	9.883.593	410.627.809	(420.511.402)	-
Total comprehensive income		--	--	--	--	--	--	--	93.027.012	93.027.012
Capital Increase (from internal sources)		63.750.000	--	--	--	--	--	(63.750.000)	--	-
Dividends		--	--	--	--	--	--	(63.750.000)	--	(63.750.000)
<b>Balances at September 30, 2017</b>		<b>913.750.000</b>	<b>240.146.090</b>	<b>423.981</b>	<b>135.339</b>	<b>24.226.634</b>	<b>46.188.875</b>	<b>1.872.724.737</b>	<b>93.027.012</b>	<b>3.190.622.668</b>

# İş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi

## Condensed Interim Statement of Cash Flows For the Period Ended September 30, 2017

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Not Reviewed January 1- September 30, 2017	Not Reviewed January 1- September 30, 2016
<b>A. Cash flows from operating activities</b>		
<b>Net profit for the period</b>	<b>93.027.012</b>	128.695.406
<i>Adjustment for reconciliation of net profit for the period:</i>		
Adjustments to depreciation and amortization	1.187.393	1.065.328
Adjustments to provision for employee severance indemnity	670.787	256.030
Adjustments to provision for unused vacation	70.285	14.624
Revaluation of investment properties	(5.583.357)	(39.713.482)
Shares in profits of equity accounted investees	(792.807)	(567.296)
Gain/(losses) from sale of investment properties	(3.999.068)	(18.718.416)
Gain/(losses) from sale of tangibles	(88)	-
Allowance for doubtful receivables, (net)	1.290.745	(424.233)
Gain/(losses) from derivatives	556	14.811
Interest income	(7.355.813)	(5.791.896)
Interest expense	21.525.497	28.667.090
Adjustments for unrealised foreign exchange losses (gains)	(1.486.916)	-
<b>Operating profit from before the changes in working capital</b>	<b>98.554.226</b>	<b>93.497.966</b>
<i>Changes in working capital</i>		
Changes in trade receivables	(16.314.686)	(7.027.856)
Changes in other receivables	517.564	(1.185.720)
Changes in other current and non-current assets	(3.264.692)	(34.482.174)
Changes in inventories	(223.606.566)	(228.008.754)
Changes in trade payables and other payables	(96.246.741)	4.570.255
Changes in other short term liabilities	226.816.437	6.996.275
	<b>(13.544.458)</b>	<b>(165.640.008)</b>
<i>Cash generated from operating activities</i>		
Payments related with employee benefits	(177.755)	-
Interest received	7.325.248	5.372.042
<b>Net cash provided by operating activities</b>	<b>(6.396.965)</b>	<b>(160.267.966)</b>
<b>B. Cash flows from investing activities</b>		
Purchases of investment property	(184.081.101)	(104.507.202)
Sale of investment property	187.644.068	18.718.416
Sale of tangibles and intangibles	(494.008)	-
Dividend received	-	500.000
Investments valued by equity method	-	142.774
<b>Net cash used in investing activities</b>	<b>3.068.959</b>	<b>(85.146.012)</b>
<b>C. Cash Flows From Financing Activities</b>		
Dividends paid	(63.750.000)	(52.220.000)
Borrowings received	225.790.000	513.000.000
Borrowings paid	(2.477.924)	(233.348.740)
Interest paid	(81.192.681)	(28.667.090)
<b>Net cash provided by financing activities</b>	<b>78.369.395</b>	<b>198.764.170</b>
<b>Net increase/decrease in cash and cash equivalents before the effect of foreign currency translation differences</b>	<b>75.041.389</b>	<b>(46.649.808)</b>
Impact of foreign currency translation differences on cash and cash equivalents	1.486.916	-
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>76.528.305</b>	<b>(46.649.808)</b>
Cash and cash equivalents at the beginning of the period	126.768.027	122.634.388
<b>Cash and cash equivalents at the end of the period</b>	<b>203.296.332</b>	<b>75.984.580</b>